IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO. 5 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
Shailesh Wife Trust. ... Respondent.

AND

INCOME TAX REFERENCE NO. 260 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
M/s.Thermax Pvt.Ltd. ... Respondent.

AND

INCOME TAX REFERENCE NO. 262 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
M/s.Shotblasting & Metal
Spraying Pvt.Ltd. ... Respondent.

AND

INCOME TAX REFERENCE NO. 333 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
Shri J.M.Shah. ... Respondent.

AND

INCOME TAX REFERENCE NO. 336 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
Capt.A.K.Dhawan. ... Respondent.

AND

INCOME TAX REFERENCE NO. 341 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
M/s.Mulay Brothers. ... Respondent.

AND

INCOME TAX REFERENCE NO. 343 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
M/s.Parle Products P.Ltd. ... Respondent.

AND

INCOME TAX REFERENCE NO. 344 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
M/s.Equipment Hoses Ltd. ... Respondent.

AND

INCOME TAX REFERENCE NO. 354 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
Shri L.R.Mewani. ... Respondent.

AND

INCOME TAX REFERENCE NO. 358 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
The Trustees of Jitendra Narottam
Edu. & Medical P.Ch.Trust. ... Respondent.

AND

INCOME TAX REFERENCE NO. 365 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
M/s.Hydronauts Pvt.Ltd. ... Respondent.

AND

INCOME TAX REFERENCE NO. 367 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
Hemant Family Trust No. ... Respondent.

AND

INCOME TAX REFERENCE NO. 371 OF 1988.

The Commissioner of Income-Tax ... Applicant.
V/s.
M/s.Dolphin Fisheries Pvt.Ltd. ... Respondent.

Ashok Kotangale for the applicant/revenue.

None for the respondents/assessees.

CORAM : V.C.DAGA AND A.S.AGUIAR, JJ.

DATED : 30th June 2005.

P.C. :

. Heard learned counsel for th

applicant-revenue. Perused reference proceedings.

2. In all these matters, it is brought to our

notice that the instructions issued by the Central

Board of Direct Taxes, New Delhi dated 27th March, 2000; wherein monetary limit for the department for filing reference to the High Court earlier fixed for Rs.50,000/- came to be revised and fresh instructions are issued by the Board to file reference only in cases where tax effect exceeds Rs.2,00,000/-.

4. This Court in the case of **C.I.T. v. Camco Colour Co.**, (2002) 254 ITR 565 ruled that the above instructions are binding on the department.

5. The above instructions dated 27th March, 2000 reflects the policy decision taken by the Board not to raise questions of law where the tax effect is less than the amount prescribed in the instructions with a view to reduce litigations before High Courts and Supreme court. The circular is binding on the Revenue. There is no justification to proceed with the decades old references having negligible tax effect.

6. We, thus, do not think it necessary to answer these references. Accordingly, the above references stand returned unanswered with no order as to costs.

(A.S.AGUIAR, J.) **(V.C.DAGA, J.)**